

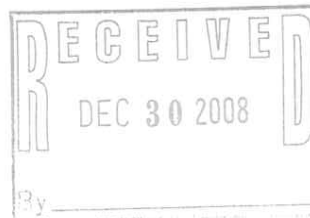
*FAMILY SERVICE ASSOCIATION  
OF WESTERN RIVERSIDE COUNTY*

**REPORT AND  
FINANCIAL STATEMENTS**

**June 30, 2008**

*Grant Award Number  
AT 07011733*

DATE RECEIVED:



AUDIT REVIEW #(s) 04378

Assigned To: LeClaire

Date Reviewed: 12/31/08

Reviewer's Initials: Taj

Date Review(s) Completed: 12/31/08

FAMILY SERVICE ASSOCIATION  
OF WESTERN RIVERSIDE COUNTY

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June 30, 2008

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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors  
Family Service Association of  
Western Riverside County

We have audited the accompanying statement of financial position of Family Service Association of Western Riverside County (a not-for-profit organization)(the Association) as of June 30, 2008, and the related statements of activities, functional expenditures, and cash flows for the year then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Association as of June 30, 2008 and the changes in its net assets and its cash flow for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated November 12, 2008 on our consideration of the Association's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion in the internal control. That report is an integral part of an audit performed in accordance with Governmental Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed primarily for the purpose of forming an opinion on the financial statements of the Association taken as a whole. The accompanying Combining Statement of Financial Position and Combining Statement of Activities as of and for the year ended June 30, 2008, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations", and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and in conformity with the Audit Guide for Audits of Child Development and Nutrition Programs issued by the California Department of Education. In our opinion, the accompanying information, as referred to above, is fairly stated in all material respects, in relation to the basic financial statements taken as a whole.

A handwritten signature in cursive script, appearing to read "Robert Bessie".

Roorda, Piquet & Bessee, Inc.  
November 12, 2008

*Family Service Association of Western Riverside County*

**Statement of Financial Position**

	<b>June 30, 2008</b>	<b>Summarized June 30, 2007</b>
<b>Assets</b>		
Current assets:		
Cash	\$ 242,495	\$ 528,067
Accounts receivable	2,349,358	1,580,866
Due from others	27,753	-
Prepaid expenses	341,203	246,995
Total current assets	<u>2,960,809</u>	<u>2,355,928</u>
Land, building and equipment		
Passenger transportation vehicles	155,499	155,499
Land and buildings	5,504,114	5,165,207
Equipment	894,010	682,919
Construction in progress	256,799	-
Less: Accumulated depreciation	(898,799)	(738,478)
	<u>5,911,623</u>	<u>5,265,147</u>
Total assets	<u>\$ 8,872,432</u>	<u>\$ 7,621,075</u>
<b>Liabilities</b>		
Current liabilities:		
Accounts payable	\$ 1,476,174	\$ 958,379
Accrued expenses (Note 3)	844,718	751,029
Lines of credit (Note 4)	1,600,000	600,000
Notes payable - current portion (Note 4)	269,136	257,805
Financial instrument liability (Note 9)	55,648	-
Deferred revenue (Note 5)	6,050	239,144
Total current liabilities	<u>4,251,726</u>	<u>2,806,357</u>
Long-term liabilities:		
Notes payable, less current portion (Note 4)	3,396,203	3,667,151
Government owned equipment	<u>468,627</u>	<u>262,506</u>
Total liabilities	<u>8,116,556</u>	<u>6,736,014</u>
<b>Net Assets:</b> (Note 1)		
Unrestricted	755,876	885,061
Temporarily restricted	-	-
Total net assets	<u>755,876</u>	<u>885,061</u>
Total liabilities and net assets	<u>\$ 8,872,432</u>	<u>\$ 7,621,075</u>

See accompanying independent auditors' report notes to financial statements

*Family Service Association of Western Riverside County*

Statement of Activities

	Year ended June 30, 2008			Summarized Totals June 30, 2007
	Unrestricted	Temporarily Restricted	Total	
<b>Public support &amp; revenues</b>				
<b>Public support:</b>				
Government and other grants:				
Social services	\$15,023,276		\$15,023,276	\$12,730,783
Mental health	199,184		199,184	0
Contributions	325,815		325,815	622,474
Contributed assets at FMV	170,000		170,000	0
Contributed rent	365,850		365,850	365,870
United Way support	141,050		141,050	0
Total public support	16,225,175	\$0	16,225,175	13,719,127
<b>Revenues:</b>				
Program service fees	815,591		815,591	899,663
Parent fees	183,134		183,134	54,524
Fundraising	92,297		92,297	211,438
Rental revenue	630,724		630,724	682,986
Interest revenue	6,831		6,831	14,773
Miscellaneous	1,404,837		1,404,837	1,155,339
	3,133,414		3,133,414	3,018,723
Net assets released from restrictions	0	0	0	0
Total public support & revenues	19,358,589	0	19,358,589	16,737,850
<b>Expenses</b>				
Program services:				
Childcare	11,224,025		11,224,025	9,918,655
Senior services	4,711,836		4,711,836	4,263,806
Clinical services	920,929		920,929	911,356
Supporting services:				
Management & general	2,503,280		2,503,280	1,578,788
Fundraising	72,056		72,056	101,417
Unrealized gain/loss on rate swap	55,648		55,648	-
Total expenses	19,487,774	0	19,487,774	16,774,022
Change in net assets	(129,185)	0	(129,185)	(36,172)
Net assets at beginning of year	885,061	0	885,061	921,233
Net assets at end of year	\$755,876	\$0	\$755,876	\$885,061

See accompanying independent auditors' report notes to financial statements

*Family Service Association of Western Riverside County*  
Statement of Functional Expenditures  
Year ended June 30, 2007

	Program Services			Supporting Services			Summarized Total June 30, 2007
	Childcare Programs	Senior Programs	Clinical Services	Management and General	Fundraising	Total	
Expenses:							
Salaries	\$ 5,113,778	\$ 1,459,789	\$ 478,048	\$ 2,214,902	\$1,664	\$ 9,268,181	\$8,059,278
Payroll taxes & benefits	1,445,072	338,354	95,823	353,083	87	2,232,419	1,646,885
Workman's compensation	422,769	117,674	6,627	104,180	0	651,250	616,354
Advertising	700	3,224	323	6,269	0	10,516	16,535
Bank charges	0	195	1,415	3,097	0	4,707	3,150
Client assistance	10,778	7,514	23	2,205	0	20,520	17,128
Conferences	42,701	489	9,149	51,071	0	103,410	66,551
Contract services	283,829	20,986	43,598	24,844	17,256	390,513	93,898
Dues & licenses	19,843	14,372	2,919	29,906	0	67,040	55,993
Professional fees	54,141	9,081	5,284	110,977	0	179,483	150,104
Fuel	6,235	61,044	0	5,432	0	72,711	53,152
Insurance	76,546	56,904	41,465	16,565	0	191,480	263,609
Leases & space usage	664,954	199,730	92,440	507,314	0	1,464,438	1,273,517
Meeting	9,572	771	809	5,144	0	16,296	11,086
Miscellaneous	1,220	300	16	17,961	0	19,497	29,134
Postage	1,767	1,718	911	4,672	92	9,160	10,328
Printing	3,601	1,051	1,231	11,897	377	18,157	33,285
Property tax	2,426	1,032	211	137,847	0	141,516	18,986
Recognition	4,680	2,698	134	13,696	0	21,208	22,458
Repair & maintenance	286,822	110,750	3,864	137,451	1,466	540,353	550,731
Special events	7,806	13,639	99	167,786	27,162	216,492	218,944
Supplies-food/household	583,240	1,315,184	139	8,624	474	1,907,661	2,011,618
Supplies-other	524,056	236,857	10,059	0	23,032	794,004	613,130
Telephone	49,430	51,971	17,697	26,363	0	145,461	132,606
Travel	44,958	82,765	2,936	5,342	0	136,001	118,160
Utilities	135,807	119,263	11,745	45,597	446	312,858	286,406
Applied overhead	1,409,836	456,923	93,964	(1,960,723)	0	(0)	0
Total expenses before interest & depreciation	11,206,567	4,684,278	920,929	2,051,502	72,056	18,935,332	16,373,026
Interest	17,458	174	0	320,142	0	337,774	278,222
Depreciation	0	27,384	0	131,635	0	159,019	122,774
Total expenses	\$11,224,025	\$ 4,711,836	\$ 920,929	\$ 2,503,280	\$72,056	\$19,432,126	\$ 16,774,022

See accompanying independent auditors' report and notes to financial statements

# ***FAMILY SERVICE ASSOCIATION OF WESTERN RIVERSIDE COUNTY***

## **NOTES TO FINANCIAL STATEMENTS**

**June 30, 2008**

### **NOTE 1 - ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### Organization

Family Service Association of Western Riverside County (Family Service) is a tax-exempt not-for-profit corporation organized pursuant to Internal Revenue Code Section 501(c)(3) and California Revenue Taxation Code Section 23701(d). Family Service was formed in 1953 and currently has offices in Riverside, Rubidoux, Sun City, Moreno Valley and Cabazon, California. It provides services in the areas of family anger management, child abuse treatment and prevention, psychological testing and psychiatric medical evaluation, teen parent counseling, special student education, employee assistance programs, family life education, childcare services and services to seniors. Family Service Association of Western Riverside County is funded principally by government grants, donations, outpatient fees and United Way allocations. It is directed by a volunteer Board of Directors.

#### Basis of Presentation & Use of Estimates

The accompanying financial statements of the Association have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles. The preparation of the Association's financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of June 30, 2008, and revenues and expenses for the year then ended. Actual results may differ from such estimates.

#### Description of Net Asset Classes

An explanation of net assets categories included in the accompanying combined financial statements follows:

##### Unrestricted Net Assets

Consist of the accumulation of certain grants, contributions, gifts, bequests and related income thereon which are available for general operating purposes.

##### Temporarily Restricted Net Assets

Grants or contributions and related investment income restricted by donors for a particular program or time period are reported as temporarily restricted revenue when received. When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, temporarily restricted net assets are released from restrictions.



### Land, Building, Equipment & Vehicles

The land, building, furniture, equipment and vehicles are stated at cost at date of purchase or estimated fair market value at date of donation. Depreciation is computed on the straight-line basis over the estimated useful lives of the assets as follows:

Furniture, fixtures & equipment	3 to 10 years
Passenger transportation vehicles	2 to 7 years
Buildings	31 to 40 years

### Assets Purchased with Government Funds

Assets purchased with governmental grant or contract funds may not be depreciated. They remain the property of the government for the life of the asset. The Association holds assets in trust for the government, and therefore, the assets have been recorded on the statement of financial position as both an asset and a liability.

### Grants & Contracts

Support received under grants and contracts with federal, state and local governments and private foundations on a fee for service basis, is recorded as public support when the related service is provided. Contracts receivable represent amounts due for costs incurred in providing services which have not been reimbursed by year end. Deferred revenue represents cash received in advance of the related expenditures on fee for service contracts or reimbursable type grants.

### Functional Allocation of Expenses

Expenses are allocated on a functional basis among the various programs and support services benefited. Expenses that can be identified with a specific program or support service are charged directly to that program or service. Expenses that are common to several programs or services are allocated based on methods relevant to the function.

### Donated Services

The Association received significant hours of donated time for senior services during the year ended June 30, 2008. In addition, members of the Board and other community volunteers have donated significant hours furthering the Association's programs and objectives. This contributed time is not reflected in the accompanying financial statements.

Materials and other assets received as donations are reflected in the accompanying financial statements at their fair values at the date of receipt.

### Hedging & Related Activities

The company entered into swap agreements with its bank in order to hedge interest rate exposure on specific debt of the organization. In accordance with FAS 133, management measures the instrument for effectiveness on an ongoing basis. Gain or loss is recognized at maturity of the agreement. Unrealized gains and losses are reported by the organization as changes in net assets.

### Prior Year Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the association's financial statements for the year ended June 30, 2007, from which the summarized information was derived.

### **NOTE 2 - ACCOUNTS RECEIVABLE**

Accounts receivable consisted of contracts worth \$2,211,050 at June 30, 2008.

### **NOTE 3 - ACCRUED EXPENSES**

Accrued compensation	\$388,871
Accrued vacation	360,206
Accrued payroll taxes	29,349
Other	66,292
	<u>\$844,718</u>

Accrued employee vacation benefits are recognized as liabilities of the Association. The liability is recognized in the program to which the liability relates. The value of accumulated vacation at June 30, 2008 appears below:

Federal programs	\$108,062
State preschool	162,093
County programs	72,041
Non-governmental	18,010
	<u>\$360,206</u>

Sick leave benefits are accumulated for each employee, but the employees do not gain a vested right to accumulated sick leave. Accumulated sick leave benefits are not recognized as liabilities of the Association since payment of such benefits is not probable or estimable. Therefore, sick leave benefits are expensed in the period sick leave is actually taken.

#### NOTE 4 - NOTES PAYABLE AND LINES OF CREDIT

Notes payable consist of the following at June 30, 2008:

Long term contract payable to the State of California at no interest payable in monthly installments of \$6,245 commencing in October 2002 and maturing in December 2013. Secured by the modular buildings at the Mead Valley and Alvord sites.	\$306,754
Note payable to Bank of America at 6.39% interest payable in monthly installments of \$23,530. Matures in April 2019 and is secured by a first priority deed on the Moreno Valley complex.	2,203,337
Note payable to City of Moreno Valley at zero interest. Principal payment deferred for ten years at which time loan will be forgiven in its entirety pending compliance with covenant restrictions.	150,000
Note payable to Security Bank of at 6.5% interest payable in monthly principal and interest payments of \$8,116. Matures in November 2010 and is secured by a Deed of Trust on the Hemlock Avenue site.	1,005,248
	<u>3,665,339</u>
Less: Current portion	<u>(269,136)</u>
	<u>\$3,396,203</u>

Aggregate minimum maturities of the notes payable at June 30, 2008 are as follows:

	<u>June 30,</u>
2008	\$269,136
2009	270,307
2010	279,930
2011	283,042
2012	287,042
Thereafter	<u>2,275,882</u>
	<u>\$3,665,339</u>

Lines of credit as of June 30, 2008 were as follows:

Line of credit with Security Bank, interest payable monthly at a rate of 7.0% secured by all inventory, chattel paper, accounts receivable, equipment and general intangibles. As of June 30, 2008, the balance on the line was \$1,100,000.

Line of credit with California Economic Development Lending Initiative (CEDLI), interest payable monthly at a rate of prime plus 1% with a minimum of 4% annum, secured by contract accounts receivable. As of June 30, 2008, the balance on the line was \$500,000.

See accompanying independent auditors' report

#### **NOTE 5 - DEFERRED REVENUE**

Deferred revenue at June 30, 2008 consisted of private foundation grants of \$6,050.

#### **NOTE 6 - DONATED OFFICE SPACE**

The Association has 32 locations in Riverside County. Free use of three of the facilities is allowed by the landlords. Contributions and related rental expense are reflected in the financial statements based on the following estimated values according to market rates available for similar space, including utilities, in each area:

<u>Location</u>	<u>Estimated Square Feet</u>	<u>Estimated Square Foot Monthly Rental Value</u>	<u>Annual Rental Equivalent</u>
Rubidoux Child Care	7,317	\$0.75	\$65,850
Sun City Senior Center	12,000	\$1.25	180,000
Mead Valley Community Center	10,000	\$1.00	120,000
			<u>\$365,850</u>

#### **NOTE 7 - OPERATING LEASE OBLIGATION**

The Association currently has no non-cancelable operating leases for which it is contingently liable. Total rent expense for the year ended June 30, 2008 including contributed rent is approximately \$1,464,000.

## NOTE 8 - PROPERTY & EQUIPMENT

A summary of property and equipment balances and activity as of and for the year ended June 30, 2008 is as follows:

	Association Owned	Government Owned	Total
Land & buildings:			
Balance at June 30, 2007	\$5,165,207	\$0	\$5,165,207
Additions	338,907	-	338,907
Disposals	-	-	-
Balance at June 30, 2008	<u>\$5,504,114</u>	<u>\$0</u>	<u>\$5,504,114</u>
Donated land & buildings			
Balance at June 30, 2007	\$0	\$0	\$0
Additions	-	-	-
Balance at June 30, 2008	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Transportation equipment			
Balance at June 30, 2007	\$155,499	\$0	\$155,499
Additions	-	-	-
Balance at June 30, 2008	<u>\$155,499</u>	<u>\$0</u>	<u>\$155,499</u>
Equipment:			
Balance at June 30, 2007	\$420,413	\$262,506	\$682,919
Additions	4,970	206,121	211,091
Disposals	-	-	-
Balance at June 30, 2008	<u>\$425,383</u>	<u>\$468,627</u>	<u>\$894,010</u>
Construction in progress			
Balance at June 30, 2007	\$0	\$0	\$0
Additions	256,799	-	256,799
Disposals	-	-	-
Balance at June 30, 2008	<u>\$256,799</u>	<u>\$0</u>	<u>\$256,799</u>
Summary:			
Balance at June 30, 2007	\$5,741,119	\$262,506	\$6,003,625
Additions	600,676	206,121	806,797
Disposals	-	-	-
Balance at June 30, 2008	<u>6,341,795</u>	<u>468,627</u>	<u>6,810,422</u>
Accumulated depreciation	<u>(898,799)</u>	<u>-</u>	<u>(898,799)</u>
Total	<u>\$5,442,996</u>	<u>\$468,627</u>	<u>\$5,911,623</u>

See accompanying independent auditors' report

## **NOTE 9 - HEDGING ACTIVITIES**

During the fiscal year ended June 30, 2004, the organization entered into a contract with its bank for an interest rate swap arrangement which qualifies as a cash flow hedge. The objective for holding the investment contract was that the swap was designed to produce excess cash inflows from investment earnings which offset the cash outflows created by debt service to the bank. This contract was for a term of 15 years. The organization's risk management policy was to hold the contract to maturity as management believed that the hedge would be effective at achieving its objective in a recovering market. The notional amount of the investment at June 30, 2008 was \$2,203,307. The debt service offset rate floor was 6.39% with a cap of 8.0%. As of June 30, 2008, the floating rate on the notional amount was 4.10% which created a swap liability to the organization of \$55,648.

## **NOTE10 - CONCENTRATIONS & CREDIT RISK**

As of June 30, 2008, the Association had deposits at one financial institution in excess of \$250,000. As of June 30, 2008, accounts receivable from the State of California amounted to 85% of the total outstanding balance. Revenue derived from the State of California amounted to 61% of the total revenue generated by the Association for the year ended June 30, 2008.

## SUPPLEMENTARY INFORMATION

Family Service Association of Western Riverside County  
Combining Statement of Financial Position  
June 30, 2008

	Child Development Funds												
	Infant/												
	General Fund	Land, Building & Equipment Fund	Other Child Care Program	Infant Child Care Program	Latchkey Child Care Program	Preschool Child Care Program	Toddler Resource Child Care Program	Governor's Child Care Program	Pre-K Child Care Program	Instr Material Child Care Program	Child Care Food Program	Total All Funds	
<b>Assets</b>													
Current assets:													
Cash	\$ 242,495											\$ 242,495	
Accounts receivable	2,349,358											2,349,358	
Prepaid expenses	341,203											341,203	
Due from other funds	27,753	9,809,740	941,207		0	0	0	0	0	0	0	10,778,700	
Total current assets	2,960,809	9,809,740	941,207		0	0	0	0	0	0	0	13,711,756	
Land, building & equipment													
Passenger transportation vehicles		155,499										155,499	
Land & building		5,504,114										5,504,114	
Equipment		894,010										894,010	
Construction in Progress		256,799										256,799	
Less: Accumulated depreciation		(898,799)										(898,799)	
	0	5,911,623	0	0	0	0	0	0	0	0	0	5,911,623	
Total Assets	\$ 2,960,809	\$ 15,721,363	\$ 941,207	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,623,379	
<b>Liabilities</b>													
Current liabilities:													
Accounts payable	\$ 1,476,174											\$ 1,476,174	
Accrued expenses	844,718											844,718	
Lines of credit	1,600,000											1,600,000	
Notes payable - current portion		\$ 269,136										269,136	
Capital lease obligation - current portion												0	
Due to other funds	7,911,548			\$ 514,642	\$ 201,189	\$ 80,424		\$ 259		\$ 2,042,885		10,750,947	
Financial instrument liability	55,648											55,648	
Deferred revenue	6,050											6,050	
Total current liabilities	11,894,138	269,136	0	514,642	201,189	80,424	0	259	0	2,042,885		15,002,673	
Long-term liabilities:													
Notes payable, less current portion		3,396,203										3,396,203	
Capital lease obligation, less current portion	0	3,396,203	0	0	0	0	0	0	0	0	0	3,396,203	
Government owned equipment		468,627										468,627	
Total liabilities	11,894,138	4,133,966	0	514,642	201,189	80,424	0	259	0	2,042,885		18,867,503	
<b>Net assets (deficiency of assets) &amp; fund balances</b>													
Unrestricted	(8,933,329)	11,587,397	941,207	(514,642)	(201,189)	(80,424)	0	(259)	0	(2,042,885)		755,876	
Temporarily restricted	0	0										0	
Total net assets (deficiency of assets) & fund balances	(8,933,329)	11,587,397	941,207	(514,642)	(201,189)	(80,424)	0	(259)	0	(2,042,885)		755,876	
Total liabilities & net assets & fund balances	\$ 2,960,809	\$ 15,721,363	\$ 941,207	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,623,379	



*Family Service Association of Western Riverside County*  
Combining Statement of Activities  
Year ended June 30, 2008

	Child Development Funds																										
	General Fund	Land, Building & Equipment Fund	Other			Infant			Latchkey			Preschool			Toddler			Governor's and Family			Pre-K			Instr			Total All Funds
			Child	Care	Program	Child	Care	Program	Child	Care	Program	Child	Care	Program	Child	Care	Program	Child	Care	Program	Child	Care	Program	Child	Care	Program	
Changes in unrestricted net assets																											
Public support & revenues																											
Public support:																											
Government & other grants:																											
Social services	\$ 4,409,132	\$ -	\$ 2,167,565	\$ 3,700,646	\$ 202,383	\$ 3,228,782	\$ 7,720	\$ 454,593	\$ 20,000	\$ 3,464	\$ 828,991	\$ 15,023,276															
Food program restricted income transfer				333,152	25,924	417,474		\$4,904			(781,454)	0															
Mental health	199,184											199,184															
Contributions	325,815											325,815															
Contributed assets at fair market value	170,000											170,000															
Contributed rent	365,850											365,850															
United Way support	106,158		34,892									141,050															
Total public support	5,576,139	0	2,202,457	4,033,798	228,307	3,646,256	7,720	459,497	20,000	3,464	47,537	16,225,175															
Revenues:																											
Program service fees	815,591		0									815,591															
Parent fees				177,222	5,912							183,134															
Fundraising	92,297		0									92,297															
Rental revenue	630,724											630,724															
Interest revenue	6,831											6,831															
Miscellaneous	1,404,837											1,404,837															
Total revenue	2,950,280	0	0	177,222	5,912	0	0	0	0	0	0	3,133,414															
Net assets released from restrictions																											
Satisfaction of program restrictions																											
Total public support & revenues	8,526,419	0	2,202,457	4,211,020	234,219	3,646,256	7,720	459,497	20,000	3,464	47,537	19,358,589															
Expenses:																											
Program services:																											
Childcare	1,409,836		1,580,386	3,339,787	179,566	2,745,376	7,720	382,928	20,000	3,464	1,554,962	11,224,025															
Food program transfer				333,152	25,924	417,474		4,904			(781,454)	0															
Senior center	4,711,836											4,711,836															
Clinical services	920,929											920,929															
Supporting services:																											
Management & general	1,093,444	0	156,807	550,332	30,895	485,189	0	71,924		0	114,689	2,503,280															
Fundraising	72,056											72,056															
Unrealized gain/loss on rate swap	55,648											55,648															
Total expenses	8,263,749	0	1,737,193	4,223,271	236,385	3,648,039	7,720	459,756	20,000	3,464	888,197	19,487,774															
Increase (decrease) in unrestricted net assets	262,670	0	465,264	(12,251)	(2,166)	(1,783)	0	(259)	0	0	(840,660)	(129,185)															
Changes in temporarily restricted net assets																											
Contributions																											
Net assets released from restrictions																											
Increase (decrease) in temporarily restricted net assets	0	0	0	0	0	0	0	0	0	0	0	0															
Increase (Decrease) in net assets	262,670	0	465,264	(12,251)	(2,166)	(1,783)	0	(259)	0	0	(840,660)	(129,185)															
Interfund transfers for debt service & acquisition of property & equipment	(1,558,752)	1,558,752										0															
Net assets (deficiency of assets) at beginning of year	(7,637,247)	10,028,645	475,943	(502,391)	(199,023)	(78,641)	0	0	0	0	(1,202,225)	885,061															
Net assets (deficiency of assets) at end of year	\$ (8,933,329)	\$ 11,587,397	\$ 941,207	\$ (514,642)	\$ (201,189)	\$ (80,424)	\$ -	\$ (259)	\$ -	\$ -	\$ (2,042,885)	\$ 755,876															

See accompanying notes to financial statements

*Family Service Association of Western Riverside County*  
**Schedule of Child Attendance - General Center Program - CCTR7264**  
**Year ended June 30, 2008**

	Certified Families					
	Total Days of Operation	Cumulative Total Days of Enrollment	Cumulative Total Days of Attendance	Cumulative Total Adjusted Days of Enrollment	Average Daily Enrollment	Percent of Attendance
July-September	63	24,811	24,788	29,792.062	393.83	100%
October-December	61	24,380	24,243	29,573.603	399.67	100%
January-March	62	23,142	22,841	28,094.564	373.26	100%
April-June	64	27,085	26,924	34,511.764	423.20	100%
Totals	250	99,418	98,796	121,971.993	397.67	100%

Attendance records are being maintained in accordance with the requirements of the California State Department of Education, Child Development Division; and the original supporting records covering attendance such as sign-in, sign-out sheets and daily attendance records, agree with the child attendance data reported for apportionment purposes.

**SAMPLE RESULTS:**

1. The audit sample results indicated that the subsidized families were charged approximately the same fees as the non-subsidized families.
2. From our sample of children's files and department reports, we considered that parent fees and/or full subsidies were assessed correctly and the fees were collected and recorded properly.
3. We found nothing in our samples to indicate that support services to subsidized children and their families, as needed pursuant to the funding terms and conditions, were not available.

*Family Service Association of Western Riverside County*  
Schedule of Child Attendance - Extended Day Care - CLTK7063  
Year ended June 30, 2008

	Certified Families					
	Total Days of Operation	Cumulative Total Days of Enrollment	Cumulative Total Days of Attendance	Cumulative Total Adjusted Days of Enrollment	Average Daily Enrollment	Percent of Attendance
July-September	63	2,972	2,957	2,519.750	47.17	100%
October-December	61	3,698	3,696	2,272.750	60.62	100%
January-March	62	4,138	4,135	2,937.500	66.74	100%
April-June	64	4,060	4,033	1,950.000	63.44	100%
Totals	250	14,868	14,821	9,680.000	59.47	100%

Attendance records are being maintained in accordance with the requirements of the California State Department of Education, Child Development Division; and the original supporting records covering attendance such as sign-in, sign-out sheets and daily attendance records, agree with the child attendance data reported for apportionment purposes.

**SAMPLE RESULTS:**

1. The audit sample results indicated that the subsidized families were charged approximately the same fees as the non-subsidized families.
2. From our sample of children's files and department reports, we considered that parent fees and/or full subsidies were assessed correctly and the fees were collected and recorded properly.
3. We found nothing in our samples to indicate that support services to subsidized children and their families, as needed pursuant to the funding terms and conditions, were not available.

*Family Service Association of Western Riverside County*  
**Child Care Food Program - Child Care Centers**  
**Schedule of Reported, Adjusted, Allowed Meals and Earned Reimbursement**  
**Year ended June 30, 2008**

	<u>Reported Meals</u>	<u>Adjusted Meals</u>	<u>Allowed Meals</u>	<u>Earned Reimbursement</u>
Breakfasts				
Free	88,783	0	88,783	\$95,877
Reduced	44,464	0	44,464	48,017
Base rate	26,969	0	26,969	29,124
	<u>160,216</u>	<u>0</u>	<u>160,216</u>	<u>173,018</u>
Lunches				
Free	129,702	0	129,702	257,061
Reduced	64,990	0	64,990	128,806
Base rate	39,401	0	39,401	78,090
	<u>234,093</u>	<u>0</u>	<u>234,093</u>	<u>463,957</u>
Suppers				
Free	0	0	0	0
Reduced	0	0	0	0
Base rate	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Supplements				
Free	108,851	0	108,851	52,387
Reduced	54,517	0	54,517	26,238
Base rate	33,066	0	33,066	15,914
	<u>196,434</u>	<u>0</u>	<u>196,434</u>	<u>94,539</u>
Cash-in-lieu	<u>234,093</u>	<u>0</u>	<u>234,093</u>	<u>43,892</u>
State reimbursement	<u>327,939</u>	<u>0</u>	<u>327,939</u>	<u>53,585</u>
Total earned reimbursement				<u><u>\$828,991</u></u>

## Operational Site(s):

Mead Valley Child Care Center  
21091 Rider St.  
Perris, CA 92570

Rubidoux Child Care Center  
5765 42nd Street  
Rubidoux, CA 92519

Arlanza Child Care  
7940 Philbin  
Riverside, CA 92503

Cabazon Child Care  
50390 Carmen Avenue  
Cabazon, CA 92230

Hemlock Child Care  
23270 Hemlock Ave.  
Moreno Valley, CA 92557

La Sierra Child Care Center  
4601 Pierce St.  
Riverside, CA 92515

Hemet Child Care  
41931 East Florida  
Hemet, CA 92544

Highgrove Child Care  
459 Center Street  
Riverside, CA 92507

Box Springs Child Care  
21250 Box Springs Rd.  
Moreno Valley, CA 92553

Alessandro Child Care Center  
23750 Alessandro Boulevard  
Moreno Valley, CA 92553

Alvord/Foothill  
9230 Wells Ave  
Riverside, CA 92503

*Family Service Association of Western Riverside County*

Combining Schedule Of Administrative Costs - Child Development Funds

Year ended June 30, 2008

	Other Child Care	Center Based Child Care	Latchkey Child Care	Preschool Child Care	Infant/ Toddler Resource Child Care	Governor's Child Care	Pre-K and Family Child Care	Instr Material Child Care	Child Care Food Program	Total Child Care
Salaries and wages	\$156,807	\$550,332	\$30,895	\$485,189		\$71,924			\$114,689	\$1,409,836
	\$156,807	\$550,332	\$30,895	\$485,189	\$0	\$71,924	\$0	\$0	\$114,689	\$1,409,836

See accompanying notes to financial statements

*Family Service Association of Western Riverside County*

Combining Schedule Of Expenditures By State Categories - Child Care Funds

Year ended June 30, 2008

	Other Child Care	Center Based Child Care	Latchkey Child Care	Preschool Child Care	Infant/ Toddler Resource Child Care	Governor's Child Care	Pre-K and Family Child Care	Instr Material Child Care	Child Care Food Program	Total Child Care
<b>1000 Certified Salaries</b>										
1100 Teacher salaries	\$796,344	\$1,269,792	\$59,380	\$980,616	\$0	\$274,233	\$0	\$0		\$3,380,365
<b>2000 Classified Salaries</b>										
2100 Instructional aides		783,563	46,768	676,997		0			\$340,774	1,507,328
2300 Clerical and other office salaries										340,774
<b>3000 Employee Benefits</b>										
3400 Health and welfare benefits	216,994	603,788	27,489	457,090		75,600			64,111	1,445,072
3600 Workers compensation	54,026	175,910	8,964	138,441		25,272			20,156	422,769
<b>4000 Books, Supplies and Equipment</b>										
4300 Instructional materials and supplies	254,054	130,028	14,122	209,707	7,720	5,045	20,000	3,464	463,156	644,140
4700 Food										463,156
<b>5000 Services and Other Operating Expenses</b>										
5200 Travel, conferences and other	35,752	36,651	2,908	27,356		799				103,466
5400 Insurance	42	23,008	1,533	45,080		6,420			0	76,083
5500 Utilities and housekeeping	17,532	55,589	4,294	58,392		0				135,807
5600 Contracts, rents & leases	120,787	445,005	22,584	390,689		0				979,065
5800 Other services and operating expenses	180,034	655,525	44,702	567,694		71,924			0	1,519,879
Child Care Food Program Transfer		0	0	0					0	0
<b>6000 Other Approved Capital Outlay</b>										
6400 Equipment	61,628	44,412	3,641	95,977		463			0	206,121
6500 Start-up expenses										0
	<u>\$1,737,193</u>	<u>\$4,223,271</u>	<u>\$236,385</u>	<u>\$3,648,039</u>	<u>\$7,720</u>	<u>\$459,756</u>	<u>\$20,000</u>	<u>\$3,464</u>	<u>\$888,197</u>	<u>\$11,224,025</u>

See accompanying notes to financial statements

*Family Service Association of Western Riverside County*

Combining Schedule Of Equipment Expenditures - Child Care Funds

Year ended June 30, 2008

	Other Child Care	Center Based Child Care	Latchkey Child Care	Preschool Child Care	Infant/ Toddler Resource Child Care	Governor's Child Care	Pre-K and Family Child Care	Instr Material Child Care	Child Care Food Program	Total Child Care
Equipment under \$7,500:	61,628	44,412	3,641	95,977		463				206,121
Total equipment	\$61,628	\$44,412	\$3,641	\$95,977	\$0	\$463	\$0	\$0	\$0	\$206,121

See accompanying notes to financial statements





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Riverside, California 92506  
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**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL  
STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

To the Board of Directors  
Family Services Association of  
Western Riverside County

We have audited the financial statements of Family Service Association of Western Riverside County (the Association) as of and for the twelve months ended June 30, 2008 and have issued our report thereon dated November 12, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Governmental Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Association's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Association's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Association's ability to initiate, authorize, record, process or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the Association's financial statements that is more than inconsequential will not be prevented or detected by the Association's internal control.

A material weakness is a significant deficiency, or a combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the Association's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Association's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

This report is intended for the information of the directors, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script, appearing to read "Robert Bessee".

Roorda, Piquet & Bessee, Inc.  
November 12, 2008



5995 Brockton Avenue • 2nd Floor  
Riverside, California 92506  
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**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO  
EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Board of Directors  
Family Service Association of  
Western Riverside County

Compliance

We have audited the compliance of Family Service Association of Western Riverside County (the Association) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the twelve months ended June 30, 2008. The Association's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Association's management. Our responsibility is to express an opinion on the Organization's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the *Controller General of the United States*; and *OMB Circular A-133*, *Audits of States, Local Governments and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Association's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Association's compliance with those requirements.

In our opinion, the Association complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the twelve months ended June 30, 2008.

#### Internal Control Over Compliance

The management of Family Service Association of Western Riverside County is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Association's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures but not for the purpose of expressing our opinion on the effectiveness of the Association's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect non-compliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the Association's ability to administer a federal program such that there is more than a remote likelihood that a noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the Association's internal control.

A material weakness is a significant deficiency, or a combination of significant deficiencies that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the Association's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all the deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended for the information of the audit committee, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



Roorda, Piquet & Bessee, Inc.  
November 12, 2008

*Family Service Association of Western Riverside County*  
**Schedule of Expenditures of Federal & State Awards**  
**Year ended June 30, 2008**

Federal Grantor/ Through Grantor	Program name	Federal CFDA	Program/ Award Amount	Revenue Recognized	Expenditures	State Reserve Fund
<b>U.S. Department of Agriculture:</b>						
Pass-through from California						
Department of Education Child Care Food Program		10.558	* <u>\$731,514</u>	<u>\$828,991</u>	<u>\$888,197</u>	
<b>U.S. Department of Health and Human Services:</b>						
Pass-through from Riverside						
County Office on Aging Title III part C Nutrition C1		93.045	284,614	284,614	284,614	
County Office on Aging Title III part C Nutrition C2		93.045	671,462	671,462	671,462	
County Office on Aging Title III part C1 NSIP		93.053	48,304	48,304	48,304	
County Office on Aging Title III part C2 NSIP		93.053	75,000	75,000	75,000	
County Office on Aging Title III part C1 OTO		93.045	25,750	12,629	12,629	
County Office on Aging Title III part C2 OTO		93.045	7,144	7,144	7,144	
County Office on Aging Title III E:						
Counseling		93.052	12,680	12,680	12,680	
Training		93.052	23,930	23,930	23,930	
Respite		93.052	9,475	9,475	9,475	
County Office on Aging Title IIIb - ADC		93.044	23,720	23,720	23,720	
Pass-through from San Bernardino						
Title III part C Nutrition C1		93.045	301,889	301,889	301,889	
Title III part C Nutrition C2		93.045	743,145	743,145	743,145	
County Office on Aging Title III part C1 OTO		93.045	30,734	30,734	30,734	
			<u>2,257,847</u>	<u>2,244,726</u>	<u>2,244,726</u>	
<b>U.S. Department of Housing and Urban Development:</b>						
Pass-through from Riverside						
County Department of Social Services						
-Mead Valley		14.218	30,000	30,000	30,000	
-Cubazon		14.218	30,000	30,000	30,000	
-Highgrove		14.218	45,000	45,000	45,000	
- Sun City		14.218	60,000	60,000	60,000	
			<u>165,000</u>	<u>165,000</u>	<u>165,000</u>	
<b>U.S. Department of Justice</b>						
Child Abuse Treatment Program		16.575	* <u>207,372</u>	<u>160,988</u>	<u>160,988</u>	
<b>TOTAL FEDERAL</b>			<u>\$3,361,733</u>	<u>\$3,399,705</u>	<u>\$3,458,911</u>	
<b>STATE</b>						
Pass through from Riverside Office on Aging						
County Office on Aging - ADCRC			<u>\$80,000</u>	<u>\$80,000</u>	<u>\$80,000</u>	
Child Development Division:						
Center-Based			\$4,031,798	\$3,700,646	\$4,223,271	
Latchkey			228,307	202,383	236,386	
Preschool			3,646,256	3,228,782	3,648,039	\$143,546
Capacity			7,720	7,720	7,720	
Governor's child care program			459,496	459,497	459,756	
Pre-Kindergarten and family			20,000	20,000	20,000	
Instructional materials			3,464	3,464	3,464	
State meal reimbursement			53,585	53,585	53,585	
<b>TOTAL STATE</b>			<u>\$8,450,626</u>	<u>\$7,676,077</u>	<u>\$8,652,221</u>	<u>\$143,546</u>
<b>TOTAL FEDERAL &amp; STATE</b>			<u>\$11,892,359</u>	<u>\$11,155,782</u>	<u>\$12,191,132</u>	<u>\$143,546</u>

\* Denotes major program

## **FINDINGS AND QUESTIONED COSTS SECTION**

*Family Service Association of Western Riverside County*  
**Findings and Questioned Costs**  
**June 30, 2008**

**Summary of Auditor's Results**

*Financial Statements*

1. Auditors issued an unqualified report on the financial statements.
2. Internal control over financial reporting:
  - No material weaknesses were identified.
  - No reportable conditions were identified.
3. The audit did not disclose any noncompliance which was considered material to the financial statements.

*Federal Awards*

4. Internal control over major programs:
  - No material weaknesses were identified.
  - No reportable conditions were identified.
5. Auditors issued an unqualified report on compliance with requirements applicable to the major program.
6. No audit findings occurred which are required to be reported in accordance with section 510(a) of Circular A-133.

*Identification of Major Programs:*

7. Auditors used the 25% coverage rule for compliance audit selection.

Child Abuse Treatment Program	14.218
Child Care Food Program	10.558
8. Auditors used a dollar threshold of \$300,000 to distinguish between type A and type B programs.
9. Auditee qualified as low-risk auditee.

**B. Findings and Questioned Costs - June 30, 2008**

1. None to report.

**C. Findings and Questioned Costs - June 30, 2007**

1. No reported findings and questioned costs.

**AUDITED FINAL RESERVE ACCOUNT CASH ACTIVITY REPORT  
for Center Based Programs**

Agency Name: Family Service Association of Western Riverside County

Fiscal Year End: 30-Jun-08

Vendor No. T602

Federally Insured Bank Name: City National Bank

Independent Auditor's Name: Roorda Piquet & Bessee, Inc.

CENTER BASED RESERVE ACCOUNT	COLUMN A	COLUMN B	COLUMN C
	PER AGENCY'S ACCOUNTING LEDGER	AUDIT ADJUSTMENT INCREASE OR (DECREASE)	PER AUDIT
<b>BEGINNING CASH BALANCE - Last Fiscal Year's Ending Cash Balance (Not from CDFS 9530)</b>	\$142,322	\$0	\$142,322
<b>PLUS CASH TRANSFERRED TO RESERVE ACCOUNT FROM CONTRACT(S) - During Current Fiscal Year:</b>			
Contract No.			0
Contract No.			0
Contract No.			0
Contract No.			0
Contract No.			0
Contract No.			0
Contract No.			0
Contract No.			0
Contract No.			0
Contract No.			0
Contract No.			0
Total Transferred to Reserve Account	0	0	0
<b>SUBTOTAL</b>	142,322	0	142,322
<b>PLUS INTEREST CREDITED TO RESERVE ACCOUNT - During Current Fiscal Year</b>	1,224		1,224
<b>LESS CASH TRANSFERRED FROM RESERVE ACCOUNT TO CONTRACT(S) - During Current Fiscal Year:</b>			
Contract No.			0
Contract No.			0
Contract No.			0
Contract No.			0
Contract No.			0
Contract No.			0
Contract No.			0
Contract No.			0
Contract No.			0
Contract No.			0
Contract No.			0
Total Transferred from Reserve Account	0	0	0
<b>ENDING CASH BALANCE - This Fiscal Year</b>	\$143,546	\$0	\$143,546

COMMENTS - If necessary, attach additional sheet(s) to explain information contained in this report:



**AUDITED FINAL ATTENDANCE AND FISCAL REPORT  
for Child Development Programs**

Agency Name: Family Service Association of Western Riverside County Vendor No. T602

Fiscal Year Ended: June 30, 2008 Contract No. CCTR7264

Independent Auditor's Name: Roorda, Piquet & Bessee, Inc.

SECTION I - CERTIFIED CHILDREN	EDP NO.	COLUMN A CUMULATIVE FISCAL YEAR PER AGENCY	COLUMN B AUDIT ADJUSTMENTS	COLUMN C CUMULATIVE FISCAL YEAR PER AUDIT	COLUMN D ADJUSTMENT FACTOR	COLUMN E ADJUSTED DAYS OF ENROLLMENT PER AUDIT
<b>DAYS OF ENROLLMENT</b>						
<i>Infants (up to 18 months)</i>						
Full-time-plus	101	1,645		1,645	2.006	3,300
Full-time	103	11,339		11,339	1.700	19,276
Three-quarters-time	105	478		478	1.275	609
One-half-time	107	35		35	0.935	33
<b>FCCH Infants (up to 18 months)</b>						
Full-time plus	101A			-	1.652	-
Full-time	103A			-	1.400	-
Three-quarters-time	105A			-	1.050	-
One-half-time	107A			-	0.770	-
<b>Toddlers (18 up to 36 months)</b>						
Full-time-plus	101B	4,169		4,169	1.652	6,887
Full-time	103B	24,473		24,473	1.400	34,262
Three-quarters-time	105B	1,048		1,048	1.050	1,100
On-half-time	107B	80		80	0.770	62
<b>Three Years and Older</b>						
Full-time-plus	111	6,877		6,877	1.180	8,115
Full-time	113	39,579		39,579	1.000	39,579
Three-quarters-time	115	2,547		2,547	0.750	1,910
One-half-time	117	1,891		1,891	0.550	1,040
<b>Exceptional Needs</b>						
Full-time-plus	121			-	1.416	-
Full-time	123			-	1.200	-
Three-quarters-time	125			-	0.900	-
One-half-time	127			-	0.660	-
<b>Limited and Non-English Proficient</b>						
Full-time-plus	131	350		350	1.298	454
Full-time	133	4,711		4,711	1.100	5,182
Three-quarters-time	135	196		196	0.825	162
One-half-time	137	-		-	0.605	-
<b>Children at Risk of Abuse or Neglect</b>						
Full-time-plus	141			-	1.298	-
Full-time	143			-	1.100	-
Three-quarters-time	145			-	0.825	-
One-half-time	147			-	0.605	-
<b>Severely Handicapped</b>						
Full-time-plus	151			-	1.770	-
Full-time	153			-	1.500	-
Three-quarters-time	155			-	1.125	-
One-half-time	157			-	0.825	-
<b>TOTAL DAYS OF ENROLLMENT</b>	190	99,418		99,418		121,972
<b>DAYS OF OPERATION</b>	169	250		250		
<b>DAYS OF ATTENDANCE</b>	179	98,796		98,796		

☒ NO NONCERTIFIED CHILDREN - Check this box and continue to Section III if no noncertified children were enrolled in the program

**AUDITED FINAL ATTENDANCE AND FISCAL REPORT  
for Child Development Programs**

Agency Name: Family Service Association of Western Riverside County Vendor No. T602

Fiscal Year Ended: June 30, 2008

Contract No. CCTR7264

Commingled Contract No. (If Any) \_\_\_\_\_

SECTION II - NONCERTIFIED CHILDREN	EDP NO.	COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E
Report all children who were not certified but were served at the same site(s) as certified children.		CUMULATIVE FISCAL YEAR PER AGENCY	AUDIT ADJUSTMENTS	CUMULATIVE FISCAL YEAR PER AUDIT	ADJUSTMENT FACTOR	ADJUSTED DAYS OF ENROLLMENT PER AUDIT
<b>DAYS OF ENROLLMENT</b>						
<i>Infants (up to 18 months)</i>						
Full-time-plus	201			-	2.006	-
Full-time	203			-	1.700	-
Three-quarters-time	205			-	1.275	-
One-half-time	207			-	0.935	-
<b>FCCH Infants (up to 18 months)</b>						
Full-time plus	201A			-	1.652	-
Full-time	203A			-	1.400	-
Three-quarters-time	205A			-	1.050	-
One-half-time	207A			-	0.770	-
<b>Toddlers (18 up to 36 months)</b>						
Full-time-plus	201B			-	1.652	-
Full-time	203B			-	1.400	-
Three-quarters-time	205B			-	1.050	-
On-half-time	207B			-	0.770	-
<b>Three Years and Older</b>						
Full-time-plus	211			-	1.180	-
Full-time	213			-	1.000	-
Three-quarters-time	215			-	0.750	-
One-half-time	217			-	0.550	-
<b>Exceptional Needs</b>						
Full-time-plus	221			-	1.416	-
Full-time	223			-	1.200	-
Three-quarters-time	225			-	0.900	-
One-half-time	227			-	0.660	-
<b>Limited and Non-English Proficient</b>						
Full-time-plus	231			-	1.298	-
Full-time	233			-	1.100	-
Three-quarters-time	235			-	0.825	-
One-half-time	237			-	0.605	-
<b>Children at Risk of Abuse or Neglect</b>						
Full-time-plus	241			-	1.298	-
Full-time	243			-	1.100	-
Three-quarters-time	245			-	0.825	-
One-half-time	247			-	0.605	-
<b>Severely Handicapped</b>						
Full-time-plus	251			-	1.770	-
Full-time	253			-	1.500	-
Three-quarters-time	255			-	1.125	-
One-half-time	257			-	0.825	-
<b>TOTAL DAYS OF ENROLLMENT</b>	290	-	-	-		-

# AUDITED FINAL ATTENDANCE AND FISCAL REPORT for Child Development Programs

Agency Name: Family Service Association of Western Riverside County Vendor No. T602

Fiscal Year End: June 30, 2008 Contract No. CCTR7264

Commingled Contract No. (If Any) \_\_\_\_\_

SECTION III - REVENUE	EDP NO.	COLUMN A	COLUMN B	COLUMN C
		CUMULATIVE FISCAL YEAR PER AGENCY	AUDIT ADJUSTMENT INCREASE OR (DECREASE)	CUMULATIVE FISCAL YEAR PER AUDIT
RESTRICTED PROGRAM INCOME				
CCF/National School Lunch Program	302	\$333,152	\$0	\$333,152
Restricted income for operating costs	308			0
Maintenance of Effort	339			0
Other (specify): Donated Rent	312	0		0
<b>SUBTOTAL</b>	310	333,152	0	333,152
TRANSFER FROM RESERVE FUND	311	0		0
FAMILY FEES FOR CERTIFIED CHILDREN				
State General Fund	329	177,222		177,222
Federal Fund	331			0
INTEREST EARNED ON CHILD DEVELOPMENT CONTRACT				
State General Fund	349			0
Federal Fund	350			0
NON-RESTRICTED INCOME				
Parent fees for noncertified children	356			0
Cal Learn Program	358			0
Other (specify):	362	0	0	0
<b>TOTAL REVENUE</b>	390	\$510,374	\$0	\$510,374

## SECTION IV - EXPENSES

REIMBURSABLE EXPENSES				
Direct Payments to Providers (FCCH Only)	401	\$0	\$0	\$0
1000 Certificated Salaries	402	1,269,792		1,269,792
2000 Classified Salaries	404	783,563		783,563
3000 Employee Benefits	406	779,698		779,698
4000 Books and Supplies	408	130,028		130,028
5000 Services/Other Operating Expenses	412	1,215,778		1,215,778
6100/6200 Other Approved Capital Outlay	413			0
6400 New Equipment (program-related)	414	44,412		44,412
6500 Replace Equipment (program-related)	416			0
Depreciation or Use Allowance	439			0
Start-Up Expenses (service level exemption)	447	0		0
Start-Up/Close-Down Expenses (migrant)	449			0
Indirect Costs -- Rate %: 0.00%	459			0
NONREIMBURSABLE EXPENSES				
6100-6500 Nonreimbursable capital outlay	479			0
Other nonreimbursable expenses (specify):	489			0
<b>TOTAL EXPENSES</b>	490	\$4,223,271	\$0	\$4,223,271
<b>TOTAL ADMINISTRATIVE COST</b> (in Sec. IV)		\$550,332	\$0	\$550,332

Independent Auditor's Certifications on meeting the requirements of the California Department of Education, Child Development Division:

Attendance records are being maintained as required (check YES or NO):

☒ YES

☐ NO - Explain any discrepancies.

Attendance data reported in Column C of pages 1 and 2 agree with the original supporting records, such as sign-in/sign-out sheets and daily attendance records (check YES or NO):

☒ YES

☐ NO - Explain any discrepancies.

COMMENTS:

**AUDITED FINAL ATTENDANCE AND FISCAL REPORT  
for School Age Community Child Care Services - Days**

Agency Name: Family Service Association of Western Riverside County Vendor No. T602  
 Fiscal Year Ended: June 30, 2008 Contract No. CLTK7063  
 Independent Auditor's Name: Roorda, Piquet & Bessee, Inc.

SECTION I - CERTIFIED CHILDREN	EDP NO.	COLUMN A CUMULATIVE FISCAL YEAR PER AGENCY	COLUMN B AUDIT ADJUSTMENTS	COLUMN C CUMULATIVE FISCAL YEAR PER AUDIT	COLUMN D ADJUSTMENT FACTOR	COLUMN E ADJUSTED DAYS OF ENROLLMENT PER AUDIT
<b>DAYS OF ENROLLMENT</b>						
<i>Kindergarten through Grade 9</i>						
Full-time-plus	112	505		505	1.500	758
Full-time	114	4,057		4,057	1.000	4,057
Three-quarters-time	116	1,777		1,777	0.750	1,333
One-half-time	118	5,602		5,602	0.500	2,801
One-quarter-time	119	2,927		2,927	0.250	732
<i>Exceptional Needs</i>						
Full-time-plus	121			0	1.800	0
Full-time	123			0	1.200	0
Three-quarters-time	125			0	0.900	0
One-half-time	127			0	0.600	0
One-quarter-time	129			0	0.300	0
<i>Limited and Non-English Proficient</i>						
Full-time-plus	131			0	1.650	0
Full-time	133			0	1.100	0
Three-quarters-time	135			0	0.825	0
One-half-time	137			0	0.550	0
One-quarter-time	139			0	0.275	0
<i>Children at Risk of Abuse or Neglect</i>						
Full-time-plus	141			0	1.650	0
Full-time	143			0	1.100	0
Three-quarters-time	145			0	0.825	0
One-half-time	147			0	0.550	0
One-quarter-time	149			0	0.275	0
<i>Severely Handicapped</i>						
Full-time-plus	151			0	2.250	0
Full-time	153			0	1.500	0
Three-quarters-time	155			0	1.120	0
One-half-time	157			0	0.750	0
One-quarter-time	159			0	0.375	0
<b>TOTAL DAYS OF ENROLLMENT</b>	190	14,868	0	14,868		9,680
<b>DAYS OF OPERATION</b>	169	250		250		
<b>DAYS OF ATTENDANCE</b>	179	14,821		14,821		

☒ NO NONCERTIFIED CHILDREN - Check this box and continue to Section III if no noncertified children were enrolled in the program

COMMENTS - If necessary, attach additional sheet(s) to explain information contained on this page:

**AUDITED FINAL ATTENDANCE AND FISCAL REPORT**  
for School Age Community Child Care Services - Days

Agency Name: Family Service Association of Western Riverside County Vendor No. T602

Fiscal Year Ended: June 30, 2008 Contract No. CLTK7063

SECTION II - NONCERTIFIED CHILDREN		COLUMN A	COLUMN B	COLUMN C	COLUMN D	COLUMN E
Report all children who were not certified but were served at the same site(s) as certified children.	EDP NO.	CUMULATIVE FISCAL YEAR PER AGENCY	AUDIT ADJUSTMENTS	CUMULATIVE FISCAL YEAR PER AUDIT	ADJUSTMENT FACTOR	ADJUSTED DAYS OF ENROLLMENT PER AUDIT
<b>DAYS OF ENROLLMENT</b>						
<i>Kindergarten through Grade 9</i>						
Full-time-plus	112			0	1.500	0
Full-time	114			0	1.000	0
Three-quarters-time	116			0	0.750	0
One-half-time	118			0	0.500	0
One-quarter-time	119			0	0.250	0
<i>Exceptional Needs</i>						
Full-time-plus	121			0	1.800	0
Full-time	123			0	1.200	0
Three-quarters-time	125			0	0.900	0
One-half-time	127			0	0.600	0
One-quarter-time	129			0	0.300	0
<i>Limited and Non-English Proficient</i>						
Full-time-plus	131			0	1.650	0
Full-time	133			0	1.100	0
Three-quarters-time	135			0	0.825	0
One-half-time	137			0	0.550	0
One-quarter-time	139			0	0.275	0
<i>Children at Risk of Abuse or Neglect</i>						
Full-time-plus	141			0	1.650	0
Full-time	143			0	1.100	0
Three-quarters-time	145			0	0.825	0
One-half-time	147			0	0.550	0
One-quarter-time	149			0	0.275	0
<i>Severely Handicapped</i>						
Full-time-plus	151			0	2.250	0
Full-time	153			0	1.500	0
Three-quarters-time	155			0	1.120	0
One-half-time	157			0	0.750	0
One-quarter-time	159			0	0.375	0
<b>TOTAL DAYS OF ENROLLMENT</b>	190	0	0	0		0

COMMENTS - If necessary, attach additional sheet(s) to explain information contained on this page:



**AUDITED FINAL ATTENDANCE AND FISCAL REPORT  
for School Age Community Child Care Services - Days**

Agency Name: \_\_\_\_\_ Vendor No. T602

Fiscal Year End: \_\_\_\_\_ Contract No. \_\_\_\_\_

SECTION III - REVENUE	EDP NO.	COLUMN A	COLUMN B	COLUMN C
		CUMULATIVE FISCAL YEAR PER AGENCY	AUDIT ADJUSTMENT INCREASE OR (DECREASE)	CUMULATIVE FISCAL YEAR PER AUDIT
RESTRICTED PROGRAM INCOME				
CCF/National School Lunch Program	302	\$25,924	\$0	\$25,924
Restricted income for operating costs	308			0
Maintenance of Effort	339			0
Other (specify):	312			0
<b>SUBTOTAL</b>	311	25,924	0	25,924
TRANSFER FROM RESERVE FUND	310	0		0
FAMILY FEES FOR CERTIFIED CHILDREN	329	5,912		5,912
INTEREST EARNED ON CHILD CONTRACT PAYMENTS	349			0
NON-RESTRICTED INCOME				
Parent fees for noncertified children	356			0
Cal Learn Program	358			0
Other (specify):	362			0
<b>TOTAL REVENUE</b>	390	\$31,836	\$0	\$31,836

**SECTION IV - EXPENSES**

REIMBURSABLE EXPENSES				
1000 Certificated Salaries	402	\$59,380	\$0	\$59,380
2000 Classified Salaries	404	46,768		46,768
3000 Employee Benefits	406	36,453		36,453
4000 Books and Supplies	408	14,122		14,122
5000 Services/Other Operating Expenses	412	76,021		76,021
6100/6200 Other Approved Capital Outlay	413			0
6400 New Equipment (program-related)	414	3,641		3,641
6500 Replace Equipment (program-related)	416			0
Depreciation or Use Allowance	439			0
Start-Up Expenses (service level exemption)	449			0
Indirect Costs -- Rate: 0.00%	459			0
NONREIMBURSABLE EXPENSES				
6100-6500 Nonreimbursable capital outlay	479			0
Other nonreimbursable expenses (specify):	489			0
<b>TOTAL EXPENSES</b>	490	\$236,385	\$0	\$236,385
<b>TOTAL ADMINISTRATIVE COST</b> (in Sec. IV)	690	\$30,895	\$0	\$30,895

Independent Auditor's Certifications on meeting the requirements of the California Department of Education, Child Development Division:

Attendance records are being maintained as required (check YES or NO):

☒ YES

☐ NO - Explain any discrepancies.

Attendance data reported in Column C of pages 1 and 2 agree with the original supporting records, such as sign-in/sign-out sheets and daily attendance records (check YES or NO):

☒ YES

☐ NO - Explain any discrepancies.

COMMENTS:

# AUDITED FINAL ATTENDANCE AND FISCAL REPORT for State Preschool Programs

Agency Name: Family Service Association of Western Riverside County Vendor No. T602

Fiscal Year End: June 30, 2008 Contract No CPRE7260

Independent Auditor's Name Roorda, Piquet & Bessee, Inc.

SECTION I - CERTIFIED CHILDREN	EDP NO.	COLUMN A	COLUMN B	COLUMN C
		CUMULATIVE FISCAL YEAR PER AGENCY	AUDIT ADJUSTMENT INCREASE OR (DECREASE)	CUMULATIVE FISCAL YEAR PER AUDIT
Days of Enrollment	190	173,492		173,492
Days of Operation	169	250		250
Days of Attendance	179	173,075		173,075

## SECTION II - NONCERTIFIED CHILDREN

<input checked="" type="checkbox"/> No Noncertified Children <small>Check this box and continue to Section III if the noncertified children are enrolled in the program</small>	
Days of Enrollment	290

Independent Auditor's Certifications on meeting the requirements of the California Department of Education, Child Development Division:

Attendance records are being maintained as required (check YES or NO):

☒ YES

☐ NO - Explain any discrepancies.

Attendance data reported in Column C, above, agree with the original supporting records, such as sign-in/sign-out sheets and daily attendance records (check YES or NO):

☒ YES

☐ NO - Explain any discrepancies.

COMMENTS - If necessary, attach additional sheet(s) to explain information contained on this page:

**AUDITED FINAL ATTENDANCE AND FISCAL REPORT  
for State Preschool Programs**

Agency Name: Family Service Association of Western Riverside County Vendor No. T602

Fiscal Year End: June 30, 2008 Contract No. CPRE7260

SECTION III - REVENUE	EDP NO.	COLUMN A	COLUMN B	COLUMN C
		CUMULATIVE FISCAL YEAR PER AGENCY	AUDIT ADJUSTMENT INCREASE OR (DECREASE)	CUMULATIVE FISCAL YEAR PER AUDIT
RESTRICTED PROGRAM INCOME				
Child Care Food/National School Lunch Program	302	\$417,474	\$0	\$417,474
Restricted income for operating costs	308			0
Maintenance of Effort	339			0
Other (specify):	312			0
<b>SUBTOTAL</b>	311	417,474	0	417,474
TRANSFER FROM RESERVE FUND	310	0		0
FAMILY FEES FOR CERTIFIED CHILDREN (GWAP Only)	329			0
INTEREST EARNED ON CHILD DEVELOPMENT CONTRACT PAYMENTS	349			0
NON-RESTRICTED INCOME				
Parent fees for noncertified children	356			0
Cal Learn Program	306			0
Head Start Funds	360			0
Other (specify):	362			0
<b>TOTAL REVENUE</b>	390	\$417,474	\$0	\$417,474

**SECTION IV - EXPENSES**

REIMBURSABLE EXPENSES				
1000 Certificated Salaries	402	\$980,616	\$0	\$980,616
2000 Classified Salaries	404	676,997		676,997
3000 Employee Benefits	406	595,531		595,531
4000 Books and Supplies	408	209,707		209,707
5000 Services and Other Operating Expenses	412	1,089,211		1,089,211
6100/6200 Other Approved Capital Outlay	413			0
6400 New Equipment (program-related)	414	95,977		95,977
6500 Equipment Replacement (program-related)	416			0
Depreciation or Use Allowance	439			0
Start-Up Expenses (service level exemption)	447	0		0
Indirect Costs -- Rate: 0.00%	459			0
NONREIMBURSABLE EXPENSES				
6100-6500 Nonreimbursable capital outlay	479			0
Other nonreimbursable expenses (specify):	489			0
<b>Total Expenses</b>	490	\$3,648,039	\$0	\$3,648,039
<b>TOTAL ADMINISTRATIVE COST</b> (included in section IV above)		\$485,189	\$0	\$485,189

COMMENTS - If necessary, attach additional sheet(s) to explain information contained on this page:



**AUDITED FINAL REVENUE AND EXPENDITURE REPORT  
for One-Time-Only Contracts**

Agency Name: Family Services Association of Western Riverside County Vendor No T602

Fiscal Year End: June 30, 2008 Contract No CIMS7439

Independent Auditor's Name: Roorda, Piquet & Bessee, Inc.

SECTION I - REVENUE	COLUMN A	COLUMN B	COLUMN C
	CUMULATIVE FISCAL YEAR PER AGENCY	AUDIT ADJUSTMENT INCREASE OR (DECREASE)	CUMULATIVE FISCAL YEAR PER AUDIT
RESTRICTED PROGRAM INCOME			
Child Care Food/National School Lunch Program	\$0	\$0	\$0
Cal Learn Program			0
Restricted income for operating costs			0
Maintenance of Effort			0
Other (specify):			0
<b>SUBTOTAL</b>	0	0	0
FAMILY FEES FOR CERTIFIED CHILDREN			0
INTEREST EARNED ON CHILD DEVELOPMENT CONTRACT PAYMENTS			0
NON-RESTRICTED INCOME			
Parent fees for noncertified children			0
Other (specify):			0
<b>TOTAL REVENUE</b>	\$0	\$0	\$0

**SECTION II - EXPENDITURES**

REIMBURSABLE			
1000 Certificated Salaries	\$0	\$0	\$0
2000 Classified Salaries			0
3000 Employee Benefits			0
4000 Books and Supplies	3,464		3,464
5000 Services and Other Operating Expenses			0
6100/6200 Other Approved Capital Outlay			0
6400 New Equipment (program-related)			0
6500 Equipment Replacement (program-related)			0
Depreciation or Use Allowance			0
Start-Up Expenses (service level exemption)			0
Indirect Costs -- Rate: 0.00%			0
NONREIMBURSABLE EXPENSES			
6100-6500 Nonreimbursable capital outlay			0
Other nonreimbursable expenses (specify):			0
<b>TOTAL EXPENSES</b>	\$3,464	\$0	\$3,464
<b>TOTAL ADMINISTRATIVE COST</b> (included in section II above)	\$0	\$0	\$0

COMMENTS - If necessary, attach additional sheet(s) to explain information contained in this report:

**AUDITED FINAL REVENUE AND EXPENDITURE REPORT  
for One-Time-Only Contracts**

Agency Name: Family Services Association of Western Riverside County Vendor No T602

Fiscal Year End: June 30, 2008 Contract No CCAP7269

Independent Auditor's Name: Roorda, Piquet & Bessee, Inc.

SECTION I - REVENUE	COLUMN A	COLUMN B	COLUMN C
	CUMULATIVE FISCAL YEAR PER AGENCY	AUDIT ADJUSTMENT INCREASE OR (DECREASE)	CUMULATIVE FISCAL YEAR PER AUDIT
RESTRICTED PROGRAM INCOME			
Child Care Food/National School Lunch Program	\$0	\$0	\$0
Cal Learn Program			0
Restricted income for operating costs			0
Maintenance of Effort			0
Other (specify):			0
<b>SUBTOTAL</b>	0	0	0
FAMILY FEES FOR CERTIFIED CHILDREN			0
INTEREST EARNED ON CHILD DEVELOPMENT CONTRACT PAYMENTS			0
NON-RESTRICTED INCOME			
Parent fees for noncertified children			0
Other (specify):			0
<b>TOTAL REVENUE</b>	\$0	\$0	\$0

**SECTION II - EXPENDITURES**

REIMBURSABLE			
1000 Certificated Salaries	\$0	\$0	\$0
2000 Classified Salaries			0
3000 Employee Benefits			0
4000 Books and Supplies	7,720		7,720
5000 Services and Other Operating Expenses	0		0
6100/6200 Other Approved Capital Outlay			0
6400 New Equipment (program-related)			0
6500 Equipment Replacement (program-related)			0
Depreciation or Use Allowance			0
Start-Up Expenses (service level exemption)			0
Indirect Costs -- Rate: 0.00%			0
NONREIMBURSABLE EXPENSES			
6100-6500 Nonreimbursable capital outlay			0
Other nonreimbursable expenses (specify):			0
<b>TOTAL EXPENSES</b>	\$7,720	\$0	\$7,720
<b>TOTAL ADMINISTRATIVE COST</b> (included in section II above)	\$0	\$0	\$0

COMMENTS - If necessary, attach additional sheet(s) to explain information contained in this report:

**AUDITED FINAL REVENUE AND EXPENDITURE REPORT  
for One-Time-Only Contracts**

Agency Name: Family Services Association of Western Riverside County Vendor No T602

Fiscal Year End: June 30, 2008 Contract No CPKS7061

Independent Auditor's Name: Roorda, Piquet & Bessee, Inc.

SECTION I - REVENUE	COLUMN A	COLUMN B	COLUMN C
	CUMULATIVE FISCAL YEAR PER AGENCY	AUDIT ADJUSTMENT INCREASE OR (DECREASE)	CUMULATIVE FISCAL YEAR PER AUDIT
RESTRICTED PROGRAM INCOME			
Child Care Food/National School Lunch Program	\$0	\$0	\$0
Cal Learn Program			0
Restricted income for operating costs			0
Maintenance of Effort			0
Other (specify):			0
<b>SUBTOTAL</b>	0	0	0
FAMILY FEES FOR CERTIFIED CHILDREN			0
INTEREST EARNED ON CHILD DEVELOPMENT CONTRACT PAYMENTS			0
NON-RESTRICTED INCOME			
Parent fees for noncertified children			0
Other (specify):			0
<b>TOTAL REVENUE</b>	\$0	\$0	\$0

**SECTION II - EXPENDITURES**

REIMBURSABLE			
1000 Certificated Salaries	\$0	\$0	\$0
2000 Classified Salaries			0
3000 Employee Benefits			0
4000 Books and Supplies	20,000		20,000
5000 Services and Other Operating Expenses			0
6100/6200 Other Approved Capital Outlay			0
6400 New Equipment (program-related)			0
6500 Equipment Replacement (program-related)			0
Depreciation or Use Allowance			0
Start-Up Expenses (service level exemption)			0
Indirect Costs -- Rate: 0.00%			0
NONREIMBURSABLE EXPENSES			
6100-6500 Nonreimbursable capital outlay			0
Other nonreimbursable expenses (specify):			0
<b>TOTAL EXPENSES</b>	\$20,000	\$0	\$20,000
<b>TOTAL ADMINISTRATIVE COST</b> (included in section II above)	\$0	\$0	\$0

COMMENTS - If necessary, attach additional sheet(s) to explain information contained in this report:

**AUDITED FINAL REVENUE AND EXPENDITURE REPORT  
for One-Time-Only Contracts**

Agency Name: Family Services Association of Western Riverside County Vendor No T602

Fiscal Year End: June 30, 2008 Contract No CPKS7056

Independent Auditor's Name: Roorda, Piquet & Bessee, Inc.

SECTION I - REVENUE	COLUMN A	COLUMN B	COLUMN C
	CUMULATIVE FISCAL YEAR PER AGENCY	AUDIT ADJUSTMENT INCREASE OR (DECREASE)	CUMULATIVE FISCAL YEAR PER AUDIT
RESTRICTED PROGRAM INCOME			
Child Care Food/National School Lunch Program	\$4,904	\$0	\$4,904
Cal Learn Program			0
Restricted income for operating costs			0
Maintenance of Effort			0
Other (specify):			0
<b>SUBTOTAL</b>	<b>4,904</b>	<b>0</b>	<b>4,904</b>
FAMILY FEES FOR CERTIFIED CHILDREN			0
INTEREST EARNED ON CHILD DEVELOPMENT CONTRACT PAYMENTS			0
NON-RESTRICTED INCOME			
Parent fees for noncertified children			0
Other (specify):			0
<b>TOTAL REVENUE</b>	<b>\$4,904</b>	<b>\$0</b>	<b>\$4,904</b>

**SECTION II - EXPENDITURES**

REIMBURSABLE			
1000 Certificated Salaries	\$274,233	\$0	\$274,233
2000 Classified Salaries	0		0
3000 Employee Benefits	100,872		100,872
4000 Books and Supplies	5,045		5,045
5000 Services and Other Operating Expenses	79,143		79,143
6100/6200 Other Approved Capital Outlay			0
6400 New Equipment (program-related)	463		463
6500 Equipment Replacement (program-related)			0
Depreciation or Use Allowance			0
Start-Up Expenses (service level exemption)			0
Indirect Costs -- Rate: 0.00%			0
NONREIMBURSABLE EXPENSES			
6100-6500 Nonreimbursable capital outlay			0
Other nonreimbursable expenses (specify):			0
<b>TOTAL EXPENSES</b>	<b>\$459,756</b>	<b>\$0</b>	<b>\$459,756</b>
<b>TOTAL ADMINISTRATIVE COST</b> (included in section II above)	<b>\$71,924</b>	<b>\$0</b>	<b>\$71,924</b>

COMMENTS - If necessary, attach additional sheet(s) to explain information contained in this report:

**Family Service Association of Western Riverside County**  
**NOTES TO SUPPLEMENTARY INFORMATION**  
**June 30, 2008**

**1. INDIRECT COST RATE LIMIT AND ALLOWABLE INDIRECT COST**

The Association does not allocate indirect costs to its state contract at this time. Indirect costs have been determined by management to be immaterial; therefore, indirect cost limitations and allowances are not applicable.

**2. STATEMENT OF CASH FLOWS**

SFAS No. 117 encourages the use of the direct method for reporting net cash flows from operating activities, but it also allows them to use the indirect method.

**3. SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**

- a. Federal and state awards expended are reported on the accrual basis of accounting in conformity with generally accepted accounting principles as described in the notes to the financial statements.
- b. A threshold of \$300,000 was used to distinguish between Type A and Type B programs as those are described in OMB Circular A-133.
- c. The Association's major federal award programs were:

<u>Name of federal program</u>	<u>CFDA No.</u>
Child Abuse Treatment Program	16.575
Child Care Food Program	10.558

**4. PROPERTY**

Property purchased with CDE contract funds during the twelve months ended June 30, 2008 has been separately accounted for in the property management system.

**5. AUDIT COSTS**

Audit fees of \$31,500 have not been accrued in their entirety in accordance with generally accepted accounting principles. Management believes that such an accrual would not have a material effect on the financial statements taken as a whole.